REMARKS

Claims 1-20 are pending in the present application. Claims 1, 4, 5, 12, and 13 are amended by this amendment. No new matter is introduced by the amendments, which find support throughout the specification and figures. In particular, the amendments are supported at least at page 13, lines 4-7, in the specification. In view of the amendments and the following remarks, Applicants respectfully request that the pending claims be allowed.

The Office Action does not respond to Applicants' challenge of the Official Notice taken regarding the features of claims 14-18, as presented in the Amendment filed January 17, 2007, at page 13, bottom, to page 14, top. In fact, the current Office Action does not present any detailed discussion of the rejection of these claims. The Office Action does not supply adequate evidence in support of the Official Notice, as required by MPEP 2144.03 in response to our challenge of the Official Notice. Applicants have previously challenged the taking of Official Notice, and assert that the Examiner improperly relies on personal knowledge, thereby undermining the prosecution process by depriving the Applicant of the opportunity to examine and analyze the references. Therefore, Applicants respectfully request that the finality of the Office Action be withdrawn for at least this reason.

Claims 1-20 are rejected under 35 U.S.C. 103(a) as being unpatentable over United States Patent No. 5,835,087 to Herz (hereinafter referred to as Herz). Applicants respectfully traverse.

Claim 1 relates to an in-contents advertising method that includes, *inter alia*, activating in a user terminal in a game program by a user digital contents, and determining that the digital contents have been activated by the user. The method of amended claim 1 also includes ***counting a number of times that the retrieved advertising information is transferred.***

PAGE 13/16 * RCVD AT 5/10/2007 12:43:37 PM [Eastern Daylight Time] * SVR:USPTO-EFXRF-6/13 * DNIS:2738300 * CSID:2129407190 * DURATION (mm-ss):02-32

It is respectfully submitted that Herz does not disclose, or even suggest, that the system disclosed therein counts a number of times that the retrieved advertising information is transferred. Herz apparently indicates that advertisers typically purchase a right to include advertisements in a set (Herz; col. 40, lines 25-26). However, Herz does not disclose or suggest counting the number of times of updating the transmission record for advertising data. The instant specification describes the counting of the number of times of updating a transmission record for advertising data that is transmitted to a user terminal, and further describes that such a counting allows billing of an advertiser to be calculated based on the value (Specification; page 13, lines 4-7). Applicants respectfully submit that Herz does not disclose or suggest the feature of the amended claims, and therefore for at least this reason the claims are allowable.

Additionally, with respect to the digital content being activated in a game program, the Office Action asserts that the "game program" limitation, as compared to the news program of Herz, is an obvious variation. However, the present invention significantly differs from Herz in that this invention relates to an in-contents advertising method or a digital contents distribution system, while Herz relates to a news clipping service that may deliver news articles (or advertisements and coupons for purchasables). Applicants maintain that the motivation to modify Herz, "to attract a younger audience", is improper. "The test for an implicit showing is what the combined teachings, knowledge of one of ordinary skill in the art, and the nature of the problem to be solved as a whole would have suggested to those of ordinary skill in the art." In re Kotzab, 217 F.3d 1365, 1370, 55 USPQ2d 1313, 1317 (Fed. Cir. 2000). The Office Action asserts that the motivation to modify the news service in Herz to a game program to attract younger users (Office Action; page 3, lines 4-8). However, as stated above, this conclusory reasoning is

PAGE 14/16 * RCVD AT 5/10/2007 12:43:37 PM [Eastern Daylight Time] * SVR:USPTO-EFXRF-6/13 * DNIS:2738300 * CSID:2129407190 * DURATION (mm-ss):02-32

insufficient to support a claim of obviousness. Therefore it is respectfully submitted that Herz does not render obvious the claims.

Claims 2, 3, and 14 depend from claim 1 and are therefore allowable for at least the same reasons as claim 1 is allowable.

Claims 4, 5, 12, and 13 include features similar to those discussed above in regard to claims 1 and 2, and therefore, for at least the same reasons claims 1 and 2 are allowable, claims 4, 5, 12, and 13 are also allowable.

Claims 6-11 and 15-20 depend from one of claims 4, 5, 12, and 13, and are therefore allowable for at least the same reasons as their respective base claims are allowable.

Additionally, claim 19 recites that the digital contents include a moving image, the retrieved advertising information is inserted in a predetermined part of the digital contents, and the advertising information is included in the predetermined part of the digital contents. The Examiner takes Official Notice of digital contents being presented as moving objects. Applicants respectfully challenge the taking of Official Notice, and respectfully request a citation to a prior art reference disclosing this feature, along with a proper motivation to combine such reference with Herz. Alternatively, Applicants respectfully request that the rejection be withdrawn.

Claim 20 recites that the game program is a driving game program, the digital contents include at least one vehicle operated by the user, the advertisement information is inserted on an exterior of the at least one vehicle, and the advertisement information and the digital contents are dynamically presented to the user. The Examiner takes Official Notice of game programs using vehicles and users being able to manipulate these features. However, this does not even allege that it is well known to change an exterior of a game vehicle to include advertising information. Furthermore, Applicants respectfully challenge the taking of Official Notice, and respectfully

PAGE 15/16 * RCVD AT 5/10/2007 12:43:37 PM [Eastern Daylight Time] * SVR:USPTO-EFXRF-6/13 * DNIS:2738300 * CSID:2129407190 * DURATION (mm-ss):02-32

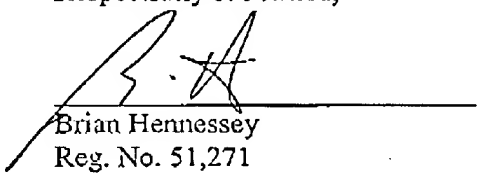
request a citation to a prior art reference disclosing this feature, along with a proper motivation to combine such reference with Herz. Alternatively, Applicants respectfully request that the rejection be withdrawn.

CONCLUSION

In view of the remarks set forth above, this application is believed to be in condition for allowance which action is respectfully requested. However, if for any reason the Examiner should consider this application not to be in condition for allowance, the Examiner is respectfully requested to telephone the undersigned attorney at the number listed below prior to issuing a further Action.

Any fee due with this paper may be charged to Deposit Account No. 50-1290.

Respectfully submitted,



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PAGE 16/16 * RCVD AT 5/10/2007 12:43:37 PM [Eastern Daylight Time] * SVR:USPTO-EFXRF-6/13 * DNIS:2738300 * CSID:2129407190 * DURATION (mm-ss):02-32